

# State Of New Hampshire Monthly Revenue Focus

## Department of Administrative Services

Commissioner Donald S. Hill



### Monthly Revenue Summary

	<u>FY 04</u>	<u>FY 03</u>	<u>Inc/(Dec)</u>
<b>Gen &amp; Educ</b>	<b>\$ 95.8</b>	<b>\$ 93.5</b>	<b>\$ 2.3</b>
<b>Highway</b>	<b>\$ 20.3</b>	<b>\$ 19.0</b>	<b>\$ 1.3</b>
<b>Fish &amp; Game</b>	<b>\$ .6</b>	<b>\$ .8</b>	<b>\$ (.2)</b>

### Current Month Analysis

<b>General &amp; Education Funds</b>	<b>FY04 Actuals</b>	<b>FY04 Plan</b>	<b>Actual vs. Plan</b>
Business Profits Tax	\$ 1.6	\$ 3.3	\$ (1.7)
Business Enterprise Tax	7.1	3.6	3.5
Subtotal	8.7	6.9	1.8
Meals & Rooms Tax	19.9	20.0	(0.1)
Tobacco Tax	9.3	8.6	0.7
Liquor Sales and Distribution	9.5	9.5	-
Interest & Dividends Tax	(1.0)	0.7	(1.7)
Insurance Tax	1.9	3.1	(1.2)
Communications Tax	5.2	5.6	(0.4)
Real Estate Transfer Tax	13.1	11.6	1.5
Estate & Legacy Tax	3.7	2.3	1.4
Court Fines & Fees	1.9	2.0	(0.1)
Securities Revenue	0.4	0.5	(0.1)
Utility Tax	0.5	0.5	-
Board & Care Revenue	1.0	0.8	0.2
Beer Tax	1.4	1.3	0.1
Racing Revenue	0.4	0.3	0.1
Flexible Grant	-	-	-
Other	3.6	2.8	0.8
Transfers from Sweepstakes	7.8	5.8	2.0
Tobacco Settlement	-	-	-
Utility Property Tax	0.2	-	0.2
Property Tax Not Retained Locally	-	-	-
Property Tax Retained Locally	-	-	-
Subtotal	87.5	82.3	5.2
Net Medicaid Enhancement Rev Recoveries	4.2	4.2	-
Subtotal	91.7	86.5	5.2
Other Medicaid Enhancement Rev to Fund Net Appropriations	4.1	4.1	-
Total	\$ 95.8	\$ 90.6	\$ 5.2

Unrestricted revenue for the General and Education Funds for August totaled \$95.8 million, which was above the plan by \$5.2 million and \$2.3 million above prior year.

Although August is a relatively small activity month for companies to file their final returns or estimates, revenue from **Business Taxes** was \$8.7 million, which was above plan by \$1.8 million and above prior year by \$1.1 million. September is the next key month to analyze business tax performance, since traditionally almost 20% of the entire fiscal year collections are received. **Meals & Rooms Tax** revenue for August generated \$19.9 million, which was on target with estimates and 2.8% above prior year for July and August combined. The **Real Estate Transfer Tax** performed strongly again in August totaling \$13.1 million which was \$1.5 million above plan and \$1.6 million above prior year.

The combined General and Education Fund Fiscal 2004 unrestricted revenue budget was set at \$2,088.8 million, which is approximately a 2% increase over fiscal year 2003 unaudited results. Enclosed in this report is the Fiscal 2004 revenue plan by month for the General Fund and Education Fund. The plan represents the revenue estimates as recommended by HB3 of the 2003 Legislative Session. If HB3 is approved by the Legislature on Thursday September 4, 2003, this monthly allocation will be used as the benchmark to measure revenue performance for the remainder of the year. (Plan is also available on the web).

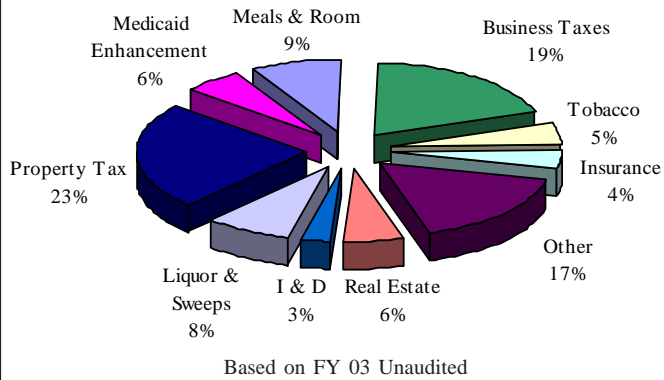
The unrestricted revenue budget for fiscal year 2004 included very few changes in the previous years' tax structure, with the following exceptions: reducing the statewide property tax to \$4.92 per thousand; increasing various court fines and fees; making the telecommunication tax surcharge permanent; receiving \$25 million of the new Federal Flexible Grant; and expanding Medicaid revenues. As a reminder, the following table summarizes the state's major current tax rates and the amount of the tax dedicated to Education:

- Business Profits Tax 8.5% (1.5% - Education);
- Business Enterprise Tax .75% (.50% - Education);
- Meals and Rooms Tax 8% (Revenue from Rental Cars - Education);
- Insurance Tax 2%;
- Real Estate Transfer Tax \$7.50 per thousand (\$2.50 - Education);
- Communication Tax 7.0%;
- Tobacco Tax 52 cents per pack (17 cents - Education);
- Education Property tax \$4.92 per thousand (all to Education);

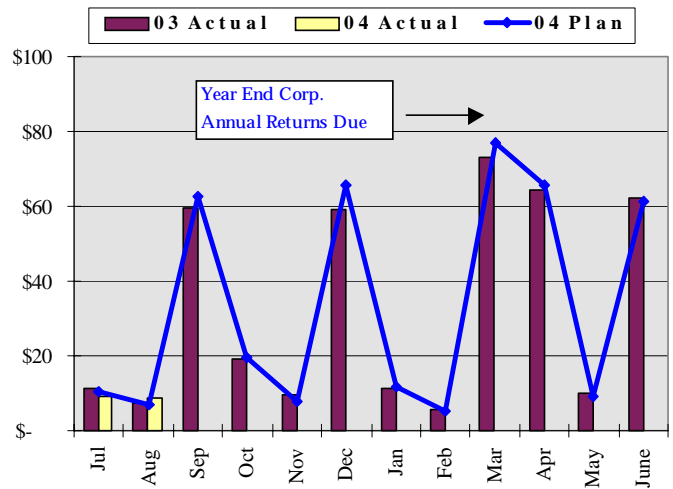
The status of the Education Trust Fund balance can be seen on page 3. The beginning balance is preliminary and unaudited. Pursuant to HB4, L'03 the distribution of the Education Block Grant has been changed to 4 payments of 20% on September 1 (previously August), 20% on November 1 (previously September), 30% on January 1, and 30% on April 1.

*All funds reported in Millions and on a Cash Basis*

### Major Unrestricted Revenue Categories



### Business Taxes



## General & Education Funds Comparison to FY 03

### Monthly

General & Education Funds	FY04 Actuals	FY03 Actuals	Inc/(Dec)
Business Profits Tax	\$ 1.6	\$ 3.2	\$ (1.6)
Business Enterprise Tax	7.1	4.4	2.7
Subtotal	8.7	7.6	1.1
Meals & Rooms Tax	19.9	19.0	0.9
Tobacco Tax	9.3	8.3	1.0
Liquor Sales and Distribution	9.5	9.5	-
Interest & Dividends Tax	(1.0)	0.7	(1.7)
Insurance Tax	1.9	5.0	(3.1)
Communications Tax	5.2	6.2	(1.0)
Real Estate Transfer Tax	13.1	11.5	1.6
Estate & Legacy Tax	3.7	4.5	(0.8)
Court Fines & Fees	1.9	2.0	(0.1)
Securities Revenue	0.4	0.3	0.1
Utility Tax	0.5	0.4	0.1
Board & Care Revenue	1.0	0.7	0.3
Beer Tax	1.4	1.4	-
Racing Revenue	0.4	0.5	(0.1)
Flexible Grant	-	-	-
Other	3.6	4.8	(1.2)
Transfers from Sweepstakes	7.8	4.2	3.6
Tobacco Settlement	-	-	-
Utility Property Tax	0.2	-	0.2
Property Tax Not Retained Locally	-	-	-
Property Tax Retained Locally	-	-	-
Subtotal	87.5	86.6	0.9
Net Medicaid Enhancement Rev Recoveries	4.2	3.5	0.7
Subtotal	91.7	90.1	1.6
Other Medicaid Enhancement Rev to Fund Net Appropriations	4.1	3.4	0.7
Total	\$ 95.8	\$ 93.5	\$ 2.3

### Year-to-Date

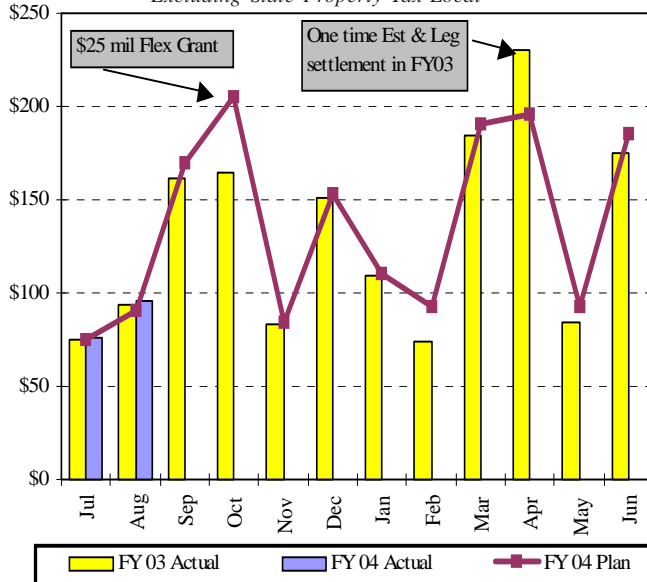
FY04 Actuals	FY03 Actuals	Inc/(Dec)	% Inc/(Dec)
\$ 3.1	\$ 7.0	\$ (3.9)	-55.7%
14.6	11.7	2.9	24.8%
17.7	18.7	(1.0)	-5.3%
36.4	35.4	1.0	2.8%
18.1	15.8	2.3	14.6%
18.8	17.9	0.9	5.0%
(1.1)	0.1	(1.2)	-1200.0%
2.7	5.8	(3.1)	-53.4%
11.1	11.5	(0.4)	-3.5%
24.9	22.0	2.9	13.2%
6.6	9.4	(2.8)	-29.8%
5.7	6.4	(0.7)	-10.9%
0.7	0.7	-	0.0%
1.0	0.9	0.1	11.1%
2.0	1.1	0.9	81.8%
2.6	2.5	0.1	4.0%
0.8	0.9	(0.1)	-11.1%
-	-	-	-
7.3	8.0	(0.7)	-8.8%
7.8	4.2	3.6	85.7%
-	-	-	-
0.2	-	0.2	-
-	-	-	-
-	-	-	-
163.3	161.3	2.0	1.2%
4.2	3.5	0.7	20.0%
-	-	-	-
167.5	164.8	2.7	1.6%
4.1	3.4	0.7	20.6%
\$ 171.6	\$ 168.2	\$ 3.4	2.0%

## Year-to-Date Analysis

General & Education Funds	General		Education		Total		
	Actual	Plan	Actual	Plan	Actual	Plan	Actual vs. Plan
Business Profits Tax	\$ 3.1	\$ 8.3	\$ -	\$ -	\$ 3.1	\$ 8.3	\$ (5.2)
Business Enterprise Tax	14.6	9.1	-	-	14.6	9.1	5.5
Subtotal	17.7	17.4	-	-	17.7	17.4	0.3
Meals & Rooms Tax	35.0	35.2	1.4	1.3	36.4	36.5	(0.1)
Tobacco Tax	13.0	11.9	5.1	4.9	18.1	16.8	1.3
Liquor Sales and Distribution	18.8	18.8	-	-	18.8	18.8	-
Interest & Dividends Tax	(1.1)	0.9	-	-	(1.1)	0.9	(2.0)
Insurance Tax	2.7	3.9	-	-	2.7	3.9	(1.2)
Communications Tax	11.1	11.3	-	-	11.1	11.3	(0.2)
Real Estate Transfer Tax	16.6	15.2	8.3	7.7	24.9	22.9	2.0
Estate & Legacy Tax	6.6	4.7	-	-	6.6	4.7	1.9
Court Fines & Fees	5.7	5.8	-	-	5.7	5.8	(0.1)
Securities Revenue	0.7	0.9	-	-	0.7	0.9	(0.2)
Utility Tax	1.0	1.1	-	-	1.0	1.1	(0.1)
Board & Care Revenue	2.0	1.3	-	-	2.0	1.3	0.7
Beer Tax	2.6	2.4	-	-	2.6	2.4	0.2
Racing Revenue	0.8	0.6	-	-	0.8	0.6	0.2
Flexible Grant	-	-	-	-	-	-	-
Other	7.3	6.5	-	-	7.3	6.5	0.8
Transfers from Sweepstakes	-	-	7.8	5.8	7.8	5.8	2.0
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	-	-	0.2	-	0.2	-	0.2
Property Tax Not Retained Locally	-	-	-	-	-	-	-
Property Tax Retained Locally	-	-	-	-	-	-	-
Subtotal	140.5	137.9	22.8	19.7	163.3	157.6	5.7
Net Medicaid Enhancement Rev Recoveries	4.2	4.3	-	-	4.2	4.3	(0.1)
Subtotal	144.7	142.2	22.8	19.7	167.5	161.9	5.6
Other Medicaid Enhancement Rev to Fund Net Appropriations	4.1	4.1	-	-	4.1	4.1	-
Total	\$ 148.8	\$ 146.3	\$ 22.8	\$ 19.7	\$ 171.6	\$ 166.0	\$ 5.6

### Monthly Unrestricted Revenue

Excluding State Property Tax-Local



### Education Trust Fund

Statement of Activity - FY 2004

July 1, 2003 to August 31, 2003

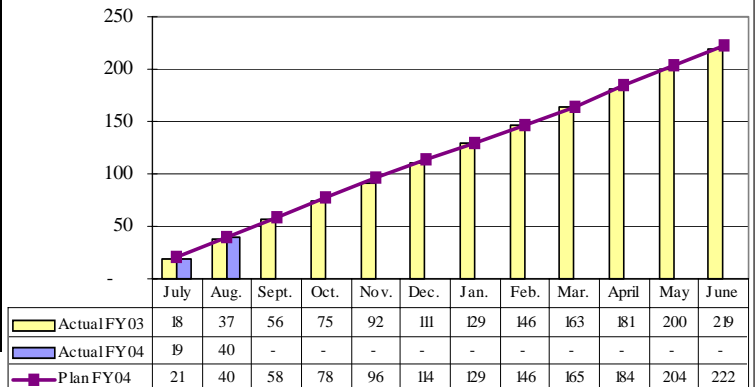
Description	In Millions
Beginning Balance (unaudited)	\$ -
Unrestricted Revenue - See above	22.8
Transfers from General Fund Appropriations	-
Expenditures	
Education Grants & Adm Costs	(92.1)
Ending Balance	\$ (69.3)

## Year-to-Date Analysis

### Highway Fund

<i>Revenue Category</i>	<i>FY 04 Actuals</i>	<i>FY 04 Plan</i>	<i>Actual vs. Plan</i>
Gasoline Road Toll	\$ 21.8	\$ 22.4	\$ (0.6)
Miscellaneous	0.8	0.5	0.3
<b>Motor Vehicle Fees</b>			
MV Registrations	13.5	12.9	0.6
MV Operators	1.8	2.6	(0.8)
Inspection Station Fees	0.5	0.4	0.1
MV Miscellaneous Fees	0.6	0.8	(0.2)
Certificate of Title	0.6	0.4	0.2
<b>Total Fees</b>	<b>17.0</b>	<b>17.1</b>	<b>(0.1)</b>
<b>Total</b>	<b>\$ 39.6</b>	<b>\$ 40.0</b>	<b>\$ (0.4)</b>

Cumulative Unrestricted Revenue



### Fish & Game Fund

<i>Revenue Category</i>	<i>FY 04 Actuals</i>	<i>FY 04 Plan</i>	<i>Actual vs. Plan</i>
Fish and Game Licenses	\$ 1.5	\$ 1.5	\$ -
Fines and Penalties	-	-	-
Miscellaneous Sales	-	-	-
Federal Recoveries Indirect Costs	-	0.1	(0.1)
<b>Total</b>	<b>\$ 1.5</b>	<b>\$ 1.6</b>	<b>\$ (0.1)</b>

Cumulative Unrestricted Revenue

